

TOWN OF CANEY, OKLAHOMA

ANNUAL FINANCIAL REPORT

JUNE 30, 2022

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Town of Caney, Oklahoma
Statement of Revenues, Expenditures and Changes in Fund Balance -- Cash Basis
General Fund and County Sales Tax Fund
For the Year Ended June 30, 2022
(Unaudited)

Revenues	General Fund	County Sales Tax Fund
General sales and use taxes	\$ 46,631	\$ -
Special sales taxes - fire department	-	35,997
Franchise taxes	5,267	-
Alcoholic beverage tax	9,388	-
Gas excise and motor vehicle taxes	1,934	-
Cigarette tax	270	-
Fines and forfeitures, traffic related	155,035	-
Fines forfeitures & fees, all others	81,324	-
CLEET / AFIS fees	35,224	-
Rent income	3,707	-
Interest income	303	-
Other revenues	4,261	-
Grant proceeds:		
Okla. Dept. of Agriculture fire dept. support	4,763	-
ARPA Covid Relief Grant	17,291	-
Total revenues	<u>365,398</u>	<u>35,997</u>
Expenditures		
General government		
Personal services	36,153	-
Materials and supplies	7,946	-
Other charges and services	23,797	-
Capital expenditures	8,724	-
OKTSET project expenditures	-	-
Police department		
Personal services	179,376	-
Materials and supplies	15,328	-
Other charges and services	75,813	-
Debt Service Payments	-	-
Capital expenditures	-	-
Fire department		
Personal services	-	-
Materials and supplies	9,331	7,965
Other charges and supplies	13,550	6,724
Capital expenditures	3,200	19,311
Street department		
Personal services	13,651	-
Materials and supplies	964	-
Other charges and services	7,186	-
Capital expenditures	11,000	-
Total expenditures	<u>406,019</u>	<u>34,000</u>
Excess of revenues over (under) expenditures	(40,621)	1,997
Beginning fund balance - cash basis	<u>108,077</u>	<u>48,555</u>
Ending fund balance - cash basis	<u>\$ 67,456</u>	<u>50,552</u>

See Accountant's Report

Town of Caney, Oklahoma
Budgetary Comparison Schedule -- Cash Basis
General Fund
For the Year Ended June 30, 2022
(Unaudited)

	Original <u>Budget</u>	Budget <u>Adjustments</u>	Final <u>Budget</u>	Actual <u>Amounts</u>	Variance Positive Negative
Revenues					
Sales and use taxes	\$ 47,000		47,000	46,631	(369)
Franchise taxes	4,000	-	4,000	5,267	1,267
Alcoholic beverage tax	7,000	-	7,000	9,388	2,388
Gas excise and motor vehicle taxes	1,650	-	1,650	1,934	284
Cigarette tax	200	-	200	270	70
Fines and forfeitures, traffic related	175,000	-	175,000	155,035	(19,965)
Fines and forfeitures, all others	90,000	-	90,000	81,324	(8,676)
CLEET / AFIS fees	38,000	-	38,000	35,224	(2,776)
Rent income	3,500	-	3,500	3,707	207
Interest income	125	-	125	303	178
Other revenues	-	5,211	5,211	4,261	(950)
Grant proceeds:					
Okla. Dept. of Agriculture fire dept. support	4,000	-	4,000	4,763	763
ARPA Covid Relief Grant	-	34,581	34,581	17,291	(17,290)
Total revenues	370,475	39,792	410,267	365,398	(44,869)
Expenditures					
General government					
Personal services	29,000	12,000	41,000	36,153	4,847
Materials and supplies	4,500	2,844	7,344	7,946	(602)
Other charges and services	18,000	10,000	28,000	23,797	4,203
Capital expenditures	20,000	-	20,000	8,724	11,276
OKTSET project expenditures	32,000	-	32,000	-	32,000
Total general government	<u>103,500</u>	<u>24,844</u>	<u>128,344</u>	<u>76,620</u>	<u>51,724</u>
Police department					
Personal services	185,000	18,000	203,000	179,376	23,624
Materials and supplies	15,000	-	15,000	15,328	(328)
Other charges and services	80,000	4,000	84,000	75,813	8,187
Debt service payments	10,000	-	10,000	-	10,000
Capital expenditures	6,000	-	6,000	-	6,000
Total police department	<u>296,000</u>	<u>22,000</u>	<u>318,000</u>	<u>270,517</u>	<u>47,483</u>
Fire department					
Personal services	2,000	-	2,000	-	2,000
Materials and supplies	11,000	-	11,000	9,331	1,669
Other charges and services	14,000	-	14,000	13,550	450
Debt service payments	-	-	-	-	-
Capital expenditures	4,000	-	4,000	3,200	800
Total fire department	<u>31,000</u>	<u>-</u>	<u>31,000</u>	<u>26,081</u>	<u>4,919</u>
Street department					
Personal services	3,000	10,000	13,000	13,651	(651)
Materials and supplies	5,000	-	5,000	964	4,036
Other charges and services	6,000	2,000	8,000	7,186	814
Capital expenditures	-	15,000	15,000	11,000	4,000
Total street department	<u>14,000</u>	<u>27,000</u>	<u>41,000</u>	<u>32,801</u>	<u>8,199</u>
Total expenditures	444,500	73,844	518,344	406,019	112,325
Excess of revenues over or (under) expenditures	(74,025)	(34,052)	(108,077)	(40,621)	67,456
Beginning fund balance - cash basis	127,806	-	127,806	108,077	(19,729)
Ending fund balance - cash basis	\$ 53,781	(34,052)	19,729	67,456	47,727

See Accountant's Report

Town of Caney, Oklahoma
Budgetary Comparison Schedule -- Cash Basis
County Sales Tax - Fire Fund
For the Year Ended June 30, 2022
(Unaudited)

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues					
County sales tax	<u>21,000</u>	<u>-</u>	<u>21,000</u>	<u>35,997</u>	<u>14,997</u>
Total revenues	<u>21,000</u>	<u>-</u>	<u>21,000</u>	<u>35,997</u>	<u>14,997</u>
Expenditures					
Fire department					
Personal services	-	-	-	-	-
Materials and supplies	15,000	-	15,000	7,965	7,035
Other charges and services	10,000	-	10,000	6,724	3,276
Debt service payments	-	-	-	-	-
Capital expenditures	<u>26,000</u>	<u>-</u>	<u>26,000</u>	<u>19,311</u>	<u>6,689</u>
Total fire department	<u>51,000</u>	<u>-</u>	<u>51,000</u>	<u>34,000</u>	<u>17,000</u>
Total expenditures	<u>51,000</u>	<u>-</u>	<u>51,000</u>	<u>34,000</u>	<u>17,000</u>
Excess of revenues over or (under) expenditures	(30,000)	-	(30,000)	1,997	31,997
Beginning fund balance - cash basis	<u>30,660</u>	<u>-</u>	<u>30,660</u>	<u>48,555</u>	<u>17,895</u>
Ending fund balance - cash basis	<u>\$ 660</u>	<u>-</u>	<u>660</u>	<u>50,552</u>	<u>49,892</u>

Town of Caney, Oklahoma
Schedule of Grant Activity -- Cash Basis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

Grant Program Agency and Description	Beginning of the Year Unexpended Funds	Current Year Receipts	Current Year Disbursements	End of the Year Unexpended Funds
<u>Federal Award Programs</u>				
Cares Act American Rescue Plan				
Corona Virus SLFRF	-	17,291	10,189	7,102
Total Federal Award Programs	\$ -	17,291	10,189	7,102
<u>State and Other Award Programs</u>				
Okla. Dept of Agriculture, Food and Forestry				
Rural fire department operational assistance	-	4,763	4,763	-
Total State and Other Award Programs	\$ -	4,763	4,763	-

WALKER AND TISDALE CPA'S PLLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Specified Users of the Report:

Town Council, Town of Caney
Caney, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

The Town's management is responsible for the following accompanying financial statements of the Town of Caney, Oklahoma for the year ended June 30, 2022:

Statement of Revenues, Expenditures and Changes in Fund Balance – Cash Basis
Budgetary Comparison Schedule – Cash Basis – General Fund
Budgetary Comparison Schedule – Cash Basis – County Sales Tax Fund
Schedule of Grant and Award Program Activity – Cash Basis

The Town's management is also responsible for determining that the cash basis of accounting is an acceptable financial reporting framework and for designing, implementing and maintaining internal controls relevant to the preparation and presentation of the financial statements. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma applicable to municipalities and the presentation requirements prescribed in Oklahoma Statutes. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy and completeness of the information provided by the Town's management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets, liabilities, fund balances, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of this report, as identified above, and as defined within the applicable state laws of the State of Oklahoma, solely to assist the Town in meeting its financial accountability requirements as prescribed by Oklahoma Statutes (Sec 11-17 (105-107)) and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2022. Management of the Town of Caney is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and the additional requirements prescribed by Oklahoma Statutes. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

(continued)

Procedures and Findings

As to the Town of Caney as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the Town's trial balances and financial reports, we prepared a schedule of changes in fund balance for the General Fund and County Sales Tax Fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: We noted no instances of fund balance deficits.

2. **Procedures Performed:** From the Town's trial balances, we prepared budget and actual comparison schedules for the General Fund and the County Sales Tax Fund (see accompanying Exhibits 2 and 3) and compared the actual expenditures to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: We noted no instances of expenditures exceeding authorized appropriation limits at the legal levels of control (department totals for the General Fund and fund totals for Special Revenue Funds). However, as indicated in Exhibit 2, there were individual expenditure accounts within a department or fund that exceeded budget amounts as follows:

General Fund, General Government Dept, Materials & Supplies - \$602
General Fund, Police Dept, Materials & Supplies - \$328
General Fund, Street Dept, Personal Services - \$651

This condition occurred because necessary budget adjustments were not made to increase the appropriation amounts for these expenditure accounts. At the time budget work was being conducted, these expenditure accounts were not projected to exceed appropriations and thus budget adjustments did not appear to be necessary. Although these individual expenditure accounts exceeded budget amounts, the departmental and fund appropriation totals were not exceeded and these expenditures did not result in negative year end fund balances. As such, no actual overspending occurred.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: The Town's reconciled bank account balances agreed with the year-end fund balances in the accounting records and all reconciling items were properly accounted for.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: At June 30, 2022, all of the Town's depository account balances were fully insured.

5. **Procedures Performed:** We compared the use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance. Such revenues consisted of gasoline excise tax, motor vehicle tax, grant proceeds and designated fire department sales tax received through the County.

Findings: We noted no instances of noncompliance regarding restricted revenues.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: All required funds have been established consisting of the General Fund and the County Sales Tax Fund.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: The Town did not have any outstanding debt issues which carried reserve requirements or debt service coverage requirements.

8. **Procedures Performed:** From the Town's trial balances, we searched for grant program activity, prepared a schedule of grant activity for each grant /contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreements.

Findings: We noted no instances of noncompliance.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the AICPA to meet the requirements prescribed in Oklahoma Statutes. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion on the financial information and compliance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.



Walker & Tisdale CPA's PLLC.
November 9, 2022